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DEED OF CONSERVATION EASEMENT

CWMTF Grant No. 2010-206 Franklinville Greenway, Deep River Rail Trail

REV ST. #192.⁰⁰

Prepared by: Kathleen A. Kingsbury, Esq., Piedmont Land Conservancy
After Recording Return to: P.O. Box 4025, Greensboro, NC 27404

NORTH CAROLINA

RANDOLPH COUNTY

THIS DEED OF CONSERVATION EASEMENT ("Easement" or "Conservation Easement") is made this 17th day of JUNE, 2013, by and between **Walk Softly, LLC**, a North Carolina Limited Liability Company duly formed and validly existing in the state of North Carolina having its principal business address at 1108 Callicut Road, Bear Creek, NC 27207 ("Grantor") and **Piedmont Land Conservancy**, a North Carolina nonprofit corporation, having an address of Post Office Box 4025, Greensboro, NC 27404 ("Grantee"). The **Town of Franklinville**, a North Carolina body politic, located in Randolph County, North Carolina, with an address of 163 West Main Street, P.O. Box 277 Franklinville, NC 27248, (the "Town") is a third party beneficiary of this Easement granted by Grantor to Grantee, with rights and responsibilities herein described.

The designation Grantor, Grantee, and Town as used herein shall include said parties, their heirs, successors, assigns, representatives, agents, lessees, and licensees, and shall include singular, plural, masculine, feminine or neuter as required by context. The designation "Parties" shall include the Grantor and Grantee, collectively; the designation "Party" shall be used to refer to an individual member of the "Parties."

RECITALS AND CONSERVATION PURPOSES

1. The Grantor is owner in fee simple of certain real property containing 96.061 acres more or less, located in Franklinville Township, Randolph County, North Carolina, and more particularly described in Exhibit A, attached hereto and incorporated herein, (hereinafter the "Property"). The Property is shown on a survey dated October 17, 2011, prepared by Russell K. Elingburg, PLS No 3414 of Elingburg Land Survey Co.,



P.A. recorded at Plat Book 131, Page 95 of the Randolph County Registry (the "Survey").

2. The Grantor has agreed to set aside 53 acres, more or less, of the Property as shown on the Survey, which is hereafter referred to as the "Easement Area" for the purpose of providing an undeveloped natural area along the greenway that is owned and identified on the Survey as a 30-foot trail easement. Grantor has donated a greenway easement to the Town, a survey of which is recorded at Plat Book 125 at Page 70 of the Randolph County Registry (the "Greenway"). The rights and responsibilities of the Town and the Grantor with respect to the Greenway are set forth in an instrument entitled Easement for Recreational Trail dated June 23, 2011 and recorded at Deed Book 2246 at Page 667 of the Randolph County Registry (the "Greenway Easement").

3. The Grantee is a land trust organization established as a non-profit corporation within the State of North Carolina, having received its tax-exempt status from the Internal Revenue Service, having the goals and purposes to preserve and protect land:

- (a) in its natural, scenic and open condition, and/or
- (b) in agricultural, horticultural or farming or forest use, and/or
- (c) for the preservation of wildlife habitats and natural riparian areas,

and is therefore a qualified "Holder" of conservation easements as that term is defined in North Carolina General Statute 121-35 (2) of the North Carolina Conservation and Scenic Easement and Historic Preservation Agreements Act (NCGS 121-34, et seq.)

4. The Grantee has agreed to hold this Easement to preserve water quality and for the benefit of the public arising from the protection of an undeveloped buffer along the Greenway between the residential and community development planned by Grantor and the banks of Sandy Creek and the Deep River, as shown on the Survey.

5. The Property is primarily forest with mature trees along steep slopes that provide a natural habitat for aquatic species and upland native plants and animals. Grantor and Grantee further recognize that the Property in its present state has conservation value as a natural area that has not been subject to significant development and that provides a "relatively natural habitat for fish, wildlife, or plants or similar ecosystem" as that phrase is used in Section 170(h)(4)(A)(ii) of the Internal Revenue Code.

6. The State of North Carolina (the "State") has enacted the Uniform North Carolina Conservation and Historic Preservation Agreements Act (the "Act"), Chapter 121, Article 4 of the North Carolina General Statutes ("NCGS"), which provides for the enforceability of restrictions, easements, covenants or conditions "appropriate for retaining land or water areas predominantly in their natural, scenic, or open condition...".



7. The North Carolina Clean Water Management Trust Fund (the "Fund") is an independent agency of the State and is authorized by NCGS Chapter 113A, Article 18, to finance projects and to acquire land and interests in land, including conservation easements for riparian buffers for the purposes of providing environmental protection for surface waters and urban drinking water supplies, and to restore previously degraded lands to re-establish their ability to protect water quality.

8. The Fund has awarded a grant to the Town, identified as Grant Agreement Number 2010-206 to cover costs associated with the Easement.

9. The open space, natural wildlife habitat and scenic characteristics of the Property and its current use and state of improvement, are described in the Easement Baseline Documentation Report ("Baseline Report") of even date herewith, which has been prepared by the Grantee with the cooperation of the Grantor and acknowledged by Grantor and Grantee on the form set forth on Exhibit B to be complete and accurate as of the date of this Deed as indicated by their signatures on the same. Grantor, Grantee and the Town, each has a copy of the Baseline Report. The Baseline Report will be used by the Grantee to assure that any future changes in the use of the Property will be consistent with the terms of this Easement. However, the Baseline Report is not intended to preclude the use of other evidence to establish the present condition of the Property if there is a controversy over its use.

10. The conservation purposes of this Easement are recognized by, and the grant of this Easement will serve, the following clearly delineated federal, state and local governmental conservation policies:

(a) The establishment of the Clean Water Management Trust Fund, N.C.G.S. §113-145.1 *et seq.*, which recognizes the importance of protecting riparian buffers in protecting and conserving surface water;

(b) The Uniform North Carolina Conservation and Historic Preservation Agreements Act, N.C.G.S. §121-34 *et seq.*, which provides for the enforceability of restrictions, easements, covenants or conditions "appropriate for retaining land or water areas predominantly in their natural, scenic, or open condition or in agricultural, horticultural, farming or forest use" and which provides for tax assessment of lands subject to such agreements "on the basis of the true value of the land and improvement less any reduction in value caused by the agreement";

(c) The North Carolina Conservation Tax Credit Program, N.C.G.S. §105-130.34 and 105-151.12 *et seq.*, which provides the state income tax credits for donations of land that is useful for fish and wildlife conservation and other similar land conservation purposes;

(d) The Soil and Water Conservation Districts Act, N.C.G.S. §139-1, *et seq.*, which provides for the preservation of farm, forest and grazing lands.



11. The Grantor is placing this Easement on the Easement Area for the exclusive purpose of assuring that under Grantee's perpetual stewardship, the natural features and resources, woodlands, riparian areas, wildlife resources, open space character, and scenic qualities of the Easement Area (the "Conservation Values") will be conserved and maintained forever, and that uses of the land that are inconsistent with the protection of these Conservation Values will be prevented or corrected. Grantor wishes to grant and convey a Conservation Easement to Grantee over the Easement Area as more specifically described herein and Grantor accepts the responsibility of enforcing the terms of this Easement and upholding its purposes forever.

NOW, THEREFORE, in consideration of the premises and the mutual benefits recited herein, together with other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the Grantor hereby unconditionally and irrevocably grants and conveys forever and in perpetuity to the Grantee, and the Grantee hereby accepts, this Easement of the nature and character and to the extent hereinafter set forth in, over the Easement Area together with the right to protect its Conservation Values.

ARTICLE I. DURATION OF EASEMENT

This Easement shall be perpetual. Under NCGS 47B-3(8) this Easement is exempt from the Real Property Marketable Title Act, NCGS 47B-1 et. seq. It is an easement in gross, runs with the land and is enforceable by the Grantee against the Grantor as provided herein.

ARTICLE II. GENERAL PROVISIONS

2.01 Fee Simple Ownership. Grantor reserves all rights accruing from fee simple ownership of the Property, including the right to engage in or permit others to engage in uses of the Easement Area in any lawful manner that are not inconsistent with the purposes of this Easement and that are not prohibited or restricted by its terms. All rights reserved by Grantor, unless specifically provided for otherwise herein, require no prior notice to, nor approval by, Grantee. All uses, reserved rights, permitted structures and improvements must comply with federal and state laws, local or state zoning regulations, building codes or similar criteria.

2.02 Successors, Purchasers and Assigns. All rights reserved by Grantor are reserved for the Grantor, its purchasers, representatives, successors, invitees, licensees and assigns, and are considered to be consistent with the conservation purposes of this Easement. All parties who receive an assignment or transfer of any interest in and to the Property, and/or who succeed to any of the rights, duties and obligations contained herein, agree to adhere to the terms of this Conservation Easement the same as if named as an original party hereto.

2.03 No Actions In Contradiction of Conservation Easement Purposes.



Grantor and Grantee have no right to agree to any activity that would result in the termination of this Easement or would cause it to fail to qualify as a qualified conservation contribution as described in Sections 170(h) and 2031(c)(8)(B) of the Internal Revenue Code, or any regulations promulgated thereunder. Additionally, all activities on the Easement Area must be conducted in a manner not inconsistent with the conservation purposes of this Easement. Any activity permitted on or about the Easement Area that is not primarily for maintaining its scenic and natural qualities, preserving wildlife habitat and water quality, or other purposes specifically reserved herein, must be limited to *de minimis* uses and may not impair the Conservation Values of the Property or violate the standard set forth in Section 2031 (c)(8)(B) of the Internal Revenue Code.

ARTICLE III. RIGHTS RESERVED TO GRANTOR

The following rights are expressly reserved to Grantor with respect to the use and activities that occur on the Easement Area provided they do not degrade water quality in Sandy Creek or the Deep River.

3.01 Passive Recreational Use. Passive recreational use of the Easement Area, requiring minimal surface alteration of the land, is permitted. Permitted activities include, but are not limited to, walking, hiking, fishing, swimming, and canoe/kayak access over the Easement Area to the Deep River and Sandy Creek.

3.02 Trails and Viewing Platforms. The Grantor reserves the right to construct and maintain unpaved trails on the Easement Area along with boardwalks, ramps and handrails as required by terrain provided all trails and related improvements are at least thirty feet (30') from the top of the bank of Sandy Creek or the Deep River. The Grantor also reserves the right to construct, maintain and repair one pedestrian bridge across Sandy Creek and one observation/viewing platform on the Deep River, each with optional bench seating, handrails and connecting steps and ramps as required by the terrain. Any trails leading to the bridge or viewing platform may be within the thirty foot buffer described in the first sentence of this Section. Litter receptacles, benches and informational signs are permitted in connection with the improvements permitted by this Section. Construction of any improvements permitted by this Section shall be done in a manner that minimizes sedimentation of the Deep River and Sandy Creek and with minimal removal of trees, brush and other vegetation.

3.03 Vegetation Management and Gardening. The Grantor expressly reserves the right to manage vegetation in the Easement Area to control non-native invasive plants and to clear vegetation and trees to construct an organic farm or community garden that is at least 100 feet from the top of the stream bank of either Deep River or Sandy Creek and does not exceed five acres.

3.04 Sustainable Forestry Practices. Grantor reserves the right to use the Easement Area to demonstrate sustainable forestry practices and to demonstrate sustainable growing and harvesting of edible and medicinal plants and fungi. Timber



harvesting may not occur within 50 feet from the top of the bank of Sandy Creek or the Deep River.

3.05 Historical and Cultural Preservation. The Grantor expressly reserves the right to engage in archeological evaluation and preservation of historic artifacts found on the Easement Area, including Native American and early settlers' artifacts.

3.06 Educational Use. The Grantor expressly reserves the right to use the Easement Area for environmental education related to the function and use of native plants and animals, archaeological history of the land, and other activities that interact with the natural environment in ways that preserve the natural environment while improving water quality.

3.07 Stream Restoration and Storm Water Runoff Control. The Grantor reserves the right to restore and stabilize the stream channels and banks of any surface waters on the Easement Area subject to approval from any regulatory authorities and in compliance with Best Management Practices for water quality and erosion prevention in effect at the time such work is completed. Restoration and stabilization activities should be based on a design using as many natural materials such as vegetation as practicable and should not include predominantly riprap. In addition, Grantor reserves the right to implement storm water control practices to prevent erosion in accordance with Best Management Practices in effect at the time such work is undertaken and to use the Easement Area to demonstrate natural purification and treatment of storm water using natural methods.

3.08 Utilities. The Grantor specifically reserves the right to install, maintain, repair, replace or relocate any electric, gas, telephone, cable, water, sewer lines or other public or private utilities over or under the Easement Area for the purpose of providing utility services to the improvements permitted by this Easement. This right includes the right to grant easements over and under the Easement Area for such purposes, provided such utilities are installed in a manner that minimizes any disturbance to the Conservation Values protected by this Easement.

ARTICLE IV. PROHIBITED AND RESTRICTED ACTIVITIES

4.01 Disturbance of Natural Features, Plants and Animals. Within the Easement Area, there shall be no cutting or removal of trees, vegetation, or the disturbance of other natural features, including plant and animal life, except for the following: (a) to plant native species of shrubs, trees and other plants; (b) as incidental to boundary marking, fencing, signage, construction and maintenance of trails and other improvements permitted by Section 3.02 and public access allowed hereunder; (c) selective cutting or clearing of vegetation, and the application of mutually approved chemicals or other methods for fire containment, control and protection, disease control, restoration of hydrology, wetlands enhancement and/or control of non-native plants; (d)



to cut and clear brush and briar thickets; (e) hunting and fishing pursuant to applicable local, state and federal rules and regulations; (f) removal of damaged trees and debris caused by storm, disease or fire and posing a threat to life or property; and (g) as reasonably necessary to conduct any rights specifically reserved to Grantor in Article III.

4.02 Industrial and Commercial Use. Industrial and commercial activities and any right of passage across the Easement Area for such purposes are prohibited.

4.03 Agricultural and Grazing. Agriculture, grazing and animal husbandry operations are prohibited on the Easement Area except as specifically permitted by Sections 3.03 and 3.04.

4.04 New Construction. There shall be no building, facility, mobile home, billboard or other advertising display, antenna, utility pole, tower or other structure constructed or placed on the Easement Area except for those improvements permitted by Article III.

4.05 Signs. Signs are not permitted on the Easement Area except as follows: local, state, or federal traffic or similar informational signs; greenway trail signs; for sale or lease signs; fencing for the purposes of reasonable and customary management of wildlife, signs identifying the Conservation Values of the Easement Area; signs identifying the Grantor as the owner of the Property, the Town as holder of a recreational trail easement for the Greenway and the Grantee as holder of this Easement; and educational and interpretive signs and identification labels.

4.06 Dumping and Trash. Dumping or storage of trash, ashes, garbage, waste, tires, abandoned vehicles, appliances or machinery, or other material on the Easement Area is prohibited.

4.07 Mineral Use, Excavation or Dredging. There shall be no filling, excavation, dredging, mining, or drilling; no removal of topsoil, sand, gravel, rock, peat, minerals or other material, and no change in the topography of the land in any manner except (a) as necessary for the purpose of combating erosion or flooding or incidental to any conservation management activities, such as mitigating storm water runoff and (b) as reasonably necessary to conduct any rights specifically reserved to Grantor in Article III.

4.08 Wetlands and Water Quality. There shall be no pollution or alteration of surface waters and no activities that would be detrimental to water quality. There shall be no activities that would alter natural water levels, drainage, sedimentation and/or flow in or over the Easement Area or into any surface waters, or cause soil degradation or erosion. There shall be no diking, dredging, alteration, draining, filling or removal of wetlands, except as permitted by Section 3.07 or to restore natural hydrology or wetlands enhancement as permitted by the State and any other appropriate authorities.

ARTICLE V. ENFORCEMENT AND REMEDIES



5.01 Inspection. Grantee, its employees, agents, successors and assigns, may enter the Property at reasonable times for the purpose of inspecting the Easement Area to determine whether the Grantor is complying with the terms, conditions and restrictions of this Easement. Grantor specifically agrees to provide Grantee permanent access to the Easement Area through the Property and if the Property is sold or otherwise transferred by Grantor, the instrument of conveyance shall specifically reserve a right of access or easement across the Property to enable Grantee to access the Easement Area, in form and substance acceptable to Grantee.

5.02 Violations. The Grantee is allowed to prevent any activity on or use of the Easement Area that is inconsistent with the terms and purposes of this Easement. If the Grantee finds what it believes is a violation, it may at its discretion take appropriate legal action. Except when an ongoing or imminent violation could irreversibly diminish or impair the Conservation Values of the Easement Area, Grantee shall give the Grantor written notice of the violation and ninety (90) days to correct it, before filing any legal action. If the breach remains uncured after 90 days, the Grantee may enforce this Easement by appropriate legal proceedings, including the following:

- (a) Institute suits to enjoin any breach or enforce any covenant by ex parte, temporary, and/or permanent injunction either prohibitive or mandatory and/or to
- (b) Require that the Easement Area be restored promptly to the condition required by this Easement,
- (c) File such actions as are available and necessary to prevent any impairment of the Property by acts which are unlawful or in violation of this Easement, or
- (d) Seek damages or other relief from any appropriate person or entity for the violation of this Easement or destruction to the Easement Area that is in contradiction to the intents and purposes of this Easement.

If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Easement Area, the Grantee reserves the right to pursue a remedy of a temporary restraining order or other appropriate relief, without prior notice to Grantor (but shall exercise reasonable efforts to notify Grantor) if the breach or activity would irreversibly or otherwise materially impair the benefits to be derived from this Easement. Grantor and Grantee recognize and acknowledge that under such circumstances, damage to the Easement and the rights and interests of the Grantee would be irreparable and remedies at law would be inadequate.

5.03 Remedies Cumulative. Grantee's remedies shall be cumulative and shall be in addition to, and not in lieu of, any other rights and remedies available to Grantee at law or equity in connection with this Easement.

5.04 No Waiver. No failure on the part of Grantee to enforce any covenant



or provision hereof shall discharge or invalidate such covenant or any other covenant, condition, or provision hereof or affect the right of Grantee to enforce the same in the event of a subsequent breach or default. Enforcement of this Easement shall be at the discretion of the Grantee and any forbearance by the Grantee to exercise its rights hereunder shall not be deemed a waiver by the Grantee of its rights to subsequently enforce such breach, occurrence or situation then existing , or as may occur, develop or exist in the future.

5.05 Acts Beyond Grantor's Control. Nothing in this Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury or change in the Easement Area caused by third parties or resulting from causes beyond the Grantor's control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken in good faith by the Grantor under emergency conditions to prevent, abate, or mitigate significant injury to life, damage to property or harm to the Easement Area resulting from such causes, nor to require Grantor to repair any damage resulting from acts of God.

5.06 Costs and Expenses of Enforcement. Each Party shall assume and pay for its own costs associated with enforcing or contesting the enforcement of the terms of this Easement, including, without limitation, costs of suits and attorney's fees, and any costs of restoration necessitated by the acts or omissions of either Party in violation of the terms of this Conservation Easement. However, to the extent that Grantor is judicially determined to have failed to comply with the provisions of this Easement, then Grantor shall reimburse the Grantee for all costs, expenses and restoration necessitated by such breach.

5.07 Third Party Right of Enforcement in State. In the event Grantee fails to enforce any of the terms of this Easement, the State shall have the independent right to enforce the terms of this Easement through any and all authorities available under state law, as provided for in the Grant Agreement. Any forbearance by the State to exercise this third party right of enforcement shall not be deemed or construed to be a waiver by the State of such right in general or with respect to a specific violation of any term of this Easement. Grantor hereby provides the State and its employees, agents and representatives, the same access rights provided to Grantor in Section 5.01, as may be necessary for the State to carry out its third party rights of enforcement.

ARTICLE VI. PUBLIC ACCESS

The granting of this Easement does not convey to the public the right to enter the Property for any purpose whatsoever. However, the public has the rights permitted by the Greenway Easement and the right to enjoy the scenic and open space Conservation Values provided by this Easement by viewing the Easement Area from publicly accessible areas such as the Greenway and from Sandy Creek and the Deep River.



ARTICLE VII. DOCUMENTATION AND TITLE

7.01 Easement Baseline Documentation Report. The Parties acknowledge that the Baseline Documentation Report, of even date herewith, a copy of which is on file at the offices of the Grantee, accurately establishes the uses, structures, Conservation Values and condition of the Easement Area as of the date hereof.

7.02 Grantor's Title Warranty. Grantor represents and warrants that Grantor has good and sufficient title to the Property, free from all encumbrances except those set forth in Exhibit C and that there is legal access to the Property and Grantor has the legal right to grant such access to Grantee. Grantor hereby promises to defend the same against all claims that may be made against it.

7.03 Subsequent Liens on Property. No provisions of this Easement should be construed as impairing the ability of Grantor to use the Property as collateral for subsequent borrowing, provided that any mortgage or lien arising from such a borrowing would be subordinated to this Easement.

ARTICLE VIII. MISCELLANEOUS

8.01 Transfer of Easement. The Grantee shall have the right to transfer its interest in the Property created by this Easement to any public agency or private nonprofit organization that, at the time of transfer, is a "qualified conservation organization" under §170(h) of the Internal Revenue Code of 1986, as amended, or any regulations promulgated thereunder, but only if the agency or organization expressly agrees to assume the responsibility imposed on the Grantee by this Easement. If the Grantee ever ceases to exist or no longer qualifies under §170(h) or applicable state law, a court with jurisdiction shall transfer this Easement to another qualified organization having similar purposes that agrees to assume the responsibility.

8.02 Transfer of Property. Any time the Property itself, or any interest in it, is transferred by the Grantor to any third party, the Grantor shall notify the Grantee in writing of the name and address of any party to whom the Property or any part thereof is to be transferred at least sixty (60) days prior to the time said transfer is consummated. Grantor further agrees to make specific reference to this Easement in any subsequent lease, deed or other instrument by which any interest in the Property is conveyed and such document of conveyance shall specifically provide Grantee and the State access to the Easement Area as required by Section 5.01.

8.03 Amendment of Easement. This Easement may be amended only with the written consent of Grantee and Grantor. Any such amendment shall be consistent with the purposes of this Easement and shall comply with Section 170(h) and Section 2031 of the Internal Revenue Code, or any regulations promulgated in accordance with these sections and with Grantee's easement amendment policy in effect at the time the amendment is sought, and shall not result in this Easement being disqualified as a qualified conservation contribution under the applicable provisions of the IRS Code and



regulations that require such interests to be granted in perpetuity. Any such amendment shall also be consistent with the North Carolina Conservation and Historic Preservation Agreements Act, N.C.G.S. §121-34, et seq., or any regulations promulgated pursuant to that law.

8.04 Changed Conditions. When a change in conditions gives rise to the extinguishment of this Easement or a material term or provision hereof by judicial proceeding, the Grantee shall be entitled to a portion of the proceeds of such sale, exchange, involuntary conversion of the Property, or any damage award with respect to any judicial proceeding. Such portion shall be equal to the fair market value of the Grantee's interest in the Property on the date of the recording of this Easement. "Proceeds of Sale" shall mean the cash value of all money and property paid, transferred or contributed in consideration for, or as otherwise required as a condition to the sale, exchange or involuntary conversion of the Property, or any damages otherwise awarded as a result of judicial proceeding, *minus*, the Grantor's expenses from such transaction or proceeding. Grantee shall use its share of the Proceeds of Sale in a manner consistent with the conservation purposes set forth herein.

8.05 Condemnation. Whenever all or part of the Property is taken by exercise of eminent domain by public, corporate or other authority, or by negotiated sale in lieu of condemnation, so as to abrogate the restrictions imposed by this Easement, the Grantor shall immediately give notice to Grantee and shall take all appropriate actions at the time of such taking or sale to recover the full value of the taking and all incidental or direct damages resulting from the taking. The Grantee shall be entitled to a portion of the proceeds of such sale, exchange, involuntary conversion of the Property, or any damage award with respect to any judicial proceeding, as required by Section 1.170A-14-(g) (6) of the IRS Regulations. Such portion shall be equal to the fair market value of the Grantee's interest in the Property on the date of the recording of this Easement. "Proceeds of Sale" shall mean the cash value of all money and property paid, transferred or contributed in consideration for, or as otherwise required as a condition to the sale, exchange or involuntary conversion of the Property, or any damages otherwise awarded as a result of judicial proceeding, *minus*, the Grantor's expenses from such transaction or proceeding. Grantee shall use its share of the Proceeds of Sale in a manner consistent with the conservation purposes set forth herein.

8.06 Responsibilities of Grantor and Grantee Not Affected. Other than as specified herein, this Easement is not intended to impose any legal or other responsibility on the Grantee, or in any way to affect any existing obligation of the Grantor as owner of the Property. Among other things, this shall apply to:

(a) Taxes - The Grantor shall continue to be solely responsible for payment of all taxes and assessments levied against the Property. If the Grantee is ever required to pay any taxes or assessments on its interest in the Property, the Grantor will reimburse the Grantee for the same.

(b) Upkeep and Maintenance - The Grantor shall continue to be solely



responsible for the upkeep and maintenance of the Property, to the extent it may be required by law. The Grantee shall have no obligation for the upkeep or maintenance of the Property.

(c) Liability and Indemnification - If the Grantee is ever required by a court to pay any claims, damages, costs or other liabilities resulting from personal injury or property damage that occurs on the Property, the Grantor shall indemnify and reimburse the Grantee for these payments as well as for reasonable attorneys' fees and other expenses of defending itself. If the Grantor is ever required by a court to pay any claims, damages, costs or other liabilities resulting from personal injury or property damage that occurs on the Easement Area, which is caused by the negligence or actions of Grantee or its agents or employees, the Grantee shall indemnify and reimburse the Grantor for these payments as well as for reasonable attorneys' fees and other expenses of defending itself.

In the event Grantee or Grantor receives notice of any injury or property damage or claim with respect thereto which could result in a claim against the other Party under the provisions set forth above, the Party in receipt of such notice shall promptly notify the other Party of such claim, and the Parties will cooperate with one another to resolve the claim and participate in the defense of such claim. Neither Party shall settle any such claim which would impose liability on the other without the written consent of the Party being held responsible.

Either Party shall be free to settle the claim at any time as long as the Party agreeing to the settlement pays the cost of such settlement, and such settlement results in the complete release by the claimant of the other Party.

8.07 Survival of Terms; Merger. The Grantor and the Grantee agree that the terms of this Easement shall survive any merger of the fee and easement interest in the Property.

8.08 Environmental Condition. The Grantor covenants and represents that, to the best of its knowledge, no hazardous substance or toxic waste exists nor has been generated, treated, stored, used, disposed of, or deposited in or on the Property, and that there are not now any underground storage tanks located on the Property. Grantor agrees to indemnify and hold harmless the Grantee against any claims, liabilities, damages, losses and costs arising from any such event, occurrence or condition arising from Grantor's activities.

8.09 Interpretation. This Easement shall be interpreted under the laws of the State of North Carolina, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its conservation purposes.

8.10 Parties. Every provision of this Easement that applies to the Grantor or to the Grantee shall likewise apply to their respective heirs, executors, administrators, assigns, and grantees, and all other successors in interest herein.



8.11 Notices. Any notices required by this Easement shall be in writing and shall be personally delivered or sent by first class mail or other form of communication (such as email) where confirmation of receipt is provided by the recipient, to Grantor and Grantee respectively at the following addresses, unless a party has been notified by the other of a change of address:

To Grantor:
Walk Softly, LLC, a North
Carolina limited liability company
1108 Callicut Road
Bear Creek, NC 27207
Attention: Harvey P. Harman,
Member-Manager and Operating Manager

To the Grantee:
Piedmont Land Conservancy
Post Office Box 4025
Greensboro, NC 27404-4025
Attention: Executive Director

In the event that a party to this Easement transfers its interest in the Property or under this Easement by conveyance, devise, operation of law or otherwise, the transferee of such interest shall provide the non-transferring party with written notice of the change of address to which notice is to be sent.

8.12. Entire Agreement. This instrument and the Exhibits attached hereto and incorporated herein by this reference, set forth the entire agreement of the Parties with respect to the Easement and supersedes all prior discussions, negotiations, understandings or agreements relating to the Easement. If any provision is found to be invalid, the remainder of the provisions of this Easement, and the application of such provision to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

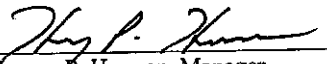


TO HAVE AND TO HOLD, this Deed of Conservation Easement unto the Grantee, its successors and assigns, forever.

IN WITNESS WHEREOF, Grantor and Grantee by authority duly given, intending to legally bind themselves, have executed this Easement the day and year above written.

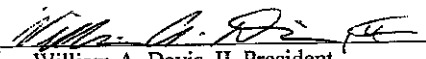
GRANTOR:

WALK SOFTLY, LLC, a North Carolina limited liability company

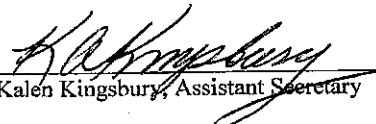
By: 
Harvey P. Harman, Manager

GRANTEE:

PIEDMONT LAND CONSERVANCY, a North Carolina nonprofit corporation

By: 
William A. Davis, II, President

ATTEST:


Kalen Kingsbury, Assistant Secretary



Acknowledgement

By signing below the Town of Franklinville acknowledges that it was recipient of a North Carolina Clean Water Management Trust Fund Grant Number 2010-206 that provided funding for this greenway easement. The easement will be held and monitored by Piedmont Land Conservancy, a North Carolina nonprofit organization as contemplated by the terms of the Grant Agreement.

GRANT RECIPIENT

TOWN OF FRANKLINVILLE
a North Carolina body politic and corporate

By: P. D. Conner
Perry Conner, Mayor



STATE OF NORTH CAROLINA

COUNTY OF RANDOLPH

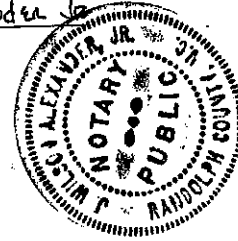
I, J. Wilson Alexander Jr, a Notary Public, of the above County and State, do hereby certify that HARVEY P. HARMAN did personally appear before me this day and acknowledged that he is a Manager of WALK SOFTLY, LLC named as **GRANTOR** in the foregoing **DEED OF CONSERVATION EASEMENT**, and that pursuant to authority duly given, he attaches his signature as the act and deed of **GRANTOR** for the uses and purposes therein expressed.

Witness my hand and notarial seal, this the 17th day of June 2013.

J. Wilson Alexander Jr
NOTARY PUBLIC

J. Wilson Alexander Jr
Printed Name of Notary

My Commission Expires: 12-20-2016



STATE OF NORTH CAROLINA

COUNTY OF Randolph

I, J. Wilson Alexander Jr, a Notary Public of the above County and State, do hereby certify that Kalen Kingsbury, did personally appear before me this day and acknowledged that she is the Assistant Secretary of the **PIEDMONT LAND CONSERVANCY**, the non-profit corporation named as **GRANTEE** in the foregoing **DEED OF CONSERVATION EASEMENT**, and that with authority duly given, the foregoing instrument was signed by its President, and attested by herself as Assistant Secretary as the act and deed of the Grantee for the uses and purposes therein expressed

Witness my hand and notarial seal, this the 17th day of June, 2013.

J. Wilson Alexander Jr
NOTARY PUBLIC

J. Wilson Alexander Jr
Printed Name of Notary

My Commission Expires: 12-20-2016

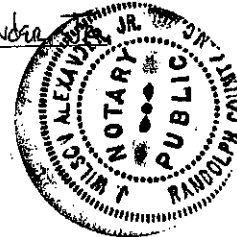




Exhibit B

**BASELINE DOCUMENTATION REPORT
REPORT OF PRESENT CONDITIONS**

This is to certify that the Walk Softly LLC, a North Carolina Limited Liability Company ("Grantor") and Piedmont Land Conservancy, a North Carolina nonprofit corporation ("Grantee"), do accept and acknowledge this Baseline Documentation Report as an accurate description of the current land uses and physical features as of the date indicated below on the Easement Area. The Baseline Documentation Report, which is maintained at the offices of Grantee, contains the conservation values inventory, documentation data, photographs and maps of the Easement Area.

The Grantor and Grantee further certify that to the best of their knowledge there have been and currently are no activities on the Easement Area that are inconsistent with the terms and covenants contained in the Conservation Easement. Grantor further acknowledges that the information contained in this Baseline Documentation Report will be used to monitor compliance with the terms of the Conservation Easement.

IN WITNESS WHEREOF, we have signed this Report of Present Conditions as of this 17th day of June, 2013.

GRANTOR:
Walk Softly, LLC, a
North Carolina Limited Liability Company

By: [Signature]
Harvey Harman, Manager

GRANTEE:
Piedmont Land Conservancy, a
North Carolina nonprofit corporation

By: [Signature]
Kalen Kingsbury, Assistant
Secretary



Exhibit C

List of permitted exceptions to title from title insurance binder or title opinion from closing attorney.

Utility easement to Carolina Power and Light Company recorded in Book 1539, Page 348, Randolph County Registry.

Sewer easements recorded in Book 1369, Page 1123, Book 1468, Page 450, Book 2335, Page 582, and Book 2335, Page 585, Randolph County Registry.

Utility easement to Progress Energy recorded in Book 1879, Page 1795, Randolph County Registry.

Utility easement to Central Telephone Company recorded in Book 1881, Page 420, Randolph County Registry.

Easement for recreational Trail to Town of Franklinville to recorded in Book 2246, Page 667, Randolph County Registry.

Plats recorded in Plat Book 83, Page 23, Plat Book 125, Page 70, Plat Book 130, Page 86, and Plat Book 131, Page 95, Randolph County Registry.

Restrictive Covenants found recorded in Book 2247, Page 1126, Randolph County Registry.